



NORTHEAST IDAHO

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON, & TETON COUNTIES

EMPLOYMENT TRENDS

May's seasonally-adjusted unemployment rate for the Bonneville Labor Market Area (LMA) dropped two-tenths of a percentage point from the previous month to 3.5 percent and remained unchanged from May 2001, as shown in Northeast Idaho Table 1. Both Bingham and Butte Counties showed a decrease of four-tenths of a percentage point, at 4.0 and 2.9 percent, respectively. Jefferson County decreased three-tenths of a percentage point to 3.6 percent, and Bonneville County decreased one-tenth of a percentage point to 3.2 percent. The LMA is 1.5 percentage points lower than the state's rate of 5.0 percent and 2.3 percentage points lower than the national rate of 5.8 percent. Individual county rates for May 2002 are shown on State Table 1 on page 3.

A year-over-year comparison shows no change in the unemployment rate for the LMA, although Butte County decreased three-tenths of a percentage point and Bingham County decreased one-tenth of a percentage point while Jefferson County increased two-tenths of a percentage point. Bonneville County remained unchanged. Idaho Falls, the largest city in the LMA, decreased one-tenth of a percentage point month-over-month, and increased one-tenth of a percentage point from May 2001.

Nonfarm Payroll Jobs increased by 1,090 jobs over the month as *Goods-Producing Industries* added almost 300 jobs and *Service-Producing Industries* added 800. *Mining & Construction* added the most of any industry at a gain of 320 jobs with good weather clearing the way for work to be in full-strength on building projects. *Services* added 310 jobs, mostly in the fields of *Engineering & Management*, *Social Services*, *Agricultural Related Services*, and *Business Services*. The gain in the *Engineering & Management* sector may seem unusual after almost 750 layoffs at the Idaho National Engineering & Environmental Laboratory (INEEL) throughout 2001. The increase of 60 jobs came mostly from the primary contractor and sub-contractors of the INEEL as many sub-

Northeast Idaho Table 1: Labor Force & Employment
Bonneville, Bingham, Butte, & Jefferson counties

	May 2002*	April 2002	May 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	82,010	81,460	82,310	0.7	-0.4
Unemployment	2,850	3,000	2,860	-5.0	-0.3
% of Labor Force Unemployed	3.5	3.7	3.5		
Total Employment	79,160	78,460	79,450	0.9	-0.4
Unadjusted					
Civilian Labor Force	82,270	80,910	82,550	1.7	-0.3
Unemployment	2,390	2,720	2,380	-12.1	0.4
% of Labor Force Unemployed	2.9	3.4	2.9		
Total Employment	79,880	78,200	80,170	2.1	-0.4
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**					
<i>Goods-Producing Industries</i>	9,400	9,110	9,640	3.2	-2.5
Mining & Construction	4,440	4,120	4,220	7.8	5.2
Manufacturing	4,960	4,990	5,420	-0.6	-8.5
Food Processing	2,300	2,380	2,960	-3.4	-22.3
Ind. & Com. Mach. & Computer Equip.	530	510	430	3.9	23.3
All Other Manufacturing	2,130	2,100	2,030	1.4	4.9
<i>Service-Producing Industries</i>	53,480	52,680	53,770	1.5	-0.5
Transportation, Comm., & Utilities	2,300	2,280	2,390	0.9	-3.8
Wholesale Trade	5,340	5,340	5,770	0.0	-7.5
Retail Trade	11,510	11,310	11,260	1.8	2.2
Finance, Insurance, & Real Estate	1,960	1,940	1,890	1.0	3.7
Services	21,340	21,030	21,420	1.5	-0.4
Government Administration	5,370	5,210	5,530	3.1	-2.9
Government Education	5,660	5,570	5,510	1.6	2.7
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

contractors were not affected by the layoffs and were able to continue with their hiring needs. The primary contractor underwent reorganization during and after the layoffs, opening management and mid-management positions in order to regroup to prioritized units and fill operational needs. Gains in the other *Services* sectors are near normal for this time of year with increased business activity and the start of the agricultural season. *Retail Trade* also added 200 jobs over the month with contributions from all sectors, but mostly in *Eating & Drinking Establishments*, *Building Materials & Garden Supplies*, and *Food Stores*. Only *Manufacturing* showed a loss over the month, 30 jobs, stemming from a decrease of 80 jobs in *Food Processing* and collective gains of 50 jobs in both *Industrial & Commercial Machinery & Computer Equipment*, and *All Other Manufacturing*.

A year-over-year comparison shows losses of 530 *Nonfarm Payroll Jobs*, with losses in half the industries. *Manufacturing* had the most losses (460) leading with *Food Processing* at a loss of 660 jobs, but that was counteracted with gains in other *Manufacturing* sectors. *Food Processing* has been on the downside for several years with automation and tough agricultural years taking their toll on employee counts. *Wholesale Trade*, closely related to *Food Processing* as they both use the same products affected by the same variables,

Northeast Idaho Table 2: Eastern Idaho* Construction — Three Month Cumulative 2002

	1st quarter 2002 New Residential	1st quarter 2001 New Residential	1st quarter 2002 New Nonresidential	1st quarter 2001 New Nonresidential	1st quarter 2002 Add, Alt & Repairs	1st quarter 2001 Add, Alt & Repairs	1st quarter 2002 Total Construction	1st quarter 2001 Total Construction
Blackfoot	\$ 657,448	\$880,169	\$585,000	\$46,200	\$105,700	\$114,200	\$1,348,148	\$1,040,569
Bingham County	\$2,626,357	\$2,189,491	\$349,970	\$258,956	\$98,284	\$174,825	\$3,074,611	\$2,623,272
Idaho Falls	\$5,345,044	\$3,730,607	\$4,421,636	\$1,900,676	\$1,721,478	\$1,203,075	\$11,488,158	\$6,834,358
Ammon	\$2,067,265	\$3,206,468	\$561,500	\$265,750	\$71,197	\$57,500	\$2,699,962	\$3,529,718
Bonneville County	\$3,236,736	\$4,424,545	\$933,527	\$386,131	\$305,702	\$439,592	\$4,475,965	\$5,250,268
Rexburg	\$2,579,000	\$6,308,400	\$451,000	\$455,000	\$57,010	\$167,500	\$3,087,010	\$6,930,900
Rigby	\$365,000	\$440,000	\$22,400	\$217,600	\$24,000	\$27,450	\$411,400	\$685,050
Salmon	\$45,000	0	0	0	\$110,400	\$85,900	\$155,400	\$85,900
Lemhi County	0	\$299,000	\$82,000	0	\$54,850	\$163,092	\$136,850	\$462,092
St. Anthony	0	\$0	\$10,000	\$3,500	\$37,700	\$15,000	\$47,700	\$18,500
Fremont County	\$2,001,008	\$411,280	\$5,915	\$57,393	\$89,812	\$29,260	\$2,096,735	\$497,933
TOTAL EASTERN ID	\$18,922,858	\$21,889,960	\$7,422,948	\$3,591,206	\$2,676,133	\$2,477,394	\$29,021,939	\$27,958,560

*Eastern Idaho includes Bingham, Bonneville, Madison, Jefferson, Lemhi, and Fremont Counties

County totals **do not include data of individual cities listed.

also showed a significant loss of 430 jobs. Gains were noted in several industries including *Finance, Real Estate, Retail Trade, Government Education, and Construction*. The largest gain was seen in *Retail Trade*, followed closely by *Construction* — both at over 200 jobs. Both industries have seen steady growth for over the past year following trends of the steadily growing economy.

SPECIAL TOPIC

Construction Activity

Eastern Idaho grew by over \$1 million in total construction value the first quarter of the year compared to the first quarter of 2002, according to statistics from economist Dr. Kelly Matthews in the *Wells Fargo Idaho Construction Report* (see Table 2). New residential construction was down by almost \$3 million, with Rexburg dropping from \$6.3 million in 2001 to \$2.6 million in 2002. The market was strong in 2001 since the mid-2000 announcement that the two-year Ricks College in Rexburg (Madison County) would convert to a four-year institution named Brigham Young University – Idaho (BYU-ID). New apartment complexes also were added to help house students. The BYU-ID announcement has helped stir real estate activity in neighboring Fremont County. Idaho Falls experienced growth in all sectors, and Fremont County and Idaho Falls both experienced gains of \$1.6 million. New nonresidential construction was up by almost \$4 million in eastern Idaho. Idaho Falls showed the most growth, over \$2.5 million, while Blackfoot and Bonneville Counties each gained almost \$600,000. *Additions, Alterations, and Repairs* were up by almost \$200,000. An interesting note is that the number of new dwelling units dropped by almost 40 and the number of total permits dropped by more than 30 during the same quarter.

AREA DEVELOPMENTS

Bonneville County

Citing an economic slowdown and missed economic targets, Center Partners is reducing its overall workforce by 1.0 percent and cutting wages for employees. Center

Partners, a call center that provides technical support to customers of computer companies, is at least 1,600 employees strong in Idaho, with 700 of those employees belonging to the Idaho Falls center. It has a total of 3,200 employees in three states. Although the Idaho Falls center is not expected to experience any layoffs, it will cut all employees' wages by 7.0 percent and cut executives' salaries by 20 percent to, "trim costs...across the board" as noted by Vice President Richard Johnson. The company expects the Idaho Falls center to be staffed back up to around 800 employees, where it was before the slowdown, by this fall.

Madison County

Rexburg just opened a new call center, Midwest Marketing International. The company is based in Ohio, but has an office in Cedar City, Utah. Rexburg was chosen by owner Richard Parkinson, formerly of Sugar City, because of the quality of people. He is quoted in the *Post Register* as saying, "We won't have to spend hours teaching them (residents) to love the people." The company makes customer service calls to clients who already use products for depression and anxiety, and promotes stress management courses. The center currently has 12 to 14 employees, but is expected to have up to 200 employees as it progresses. It is located on Main Street.

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